

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 54196 / July 24, 2006

ADMINISTRATIVE PROCEEDING
File No. 3-12373

In the Matter of

GERARD MCCALLION,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Gerard McCallion (“McCallion” or “Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these

proceedings, and the findings contained in Section III.2., below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds that:

1. From at least January 1988 through December 1989, Respondent served as principal shareholder and president of Cantor Capital Corporation (“Cantor Capital”), a brokerage firm registered with the Commission.

2. On July 20, 2006, a final judgment was entered by consent against Respondent, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Exchange Act, Rule 10b-5 thereunder in the civil action entitled Securities and Exchange Commission v. Mersky, et al., Civil Action Number 93-CV-5200, in the United States District Court for the Eastern District of Pennsylvania.

3. The Commission’s complaint alleged that, in or around June 1988, McCallion and Cantor Capital participated in a scheme to defraud involving, among others, Anglo Industries Inc. and Global Equities Corporation (“Global Equities”). In particular, the Complaint alleges that Cantor Capital was the underwriter for the initial public offering of Global Equities securities. The Complaint further alleges that McCallion permitted Cantor Capital to consummate this initial public offering and to create the appearance that the purchasers of the stock were legitimate despite knowing and/or recklessly disregarding the fact that the purchasers of the stock were nominees under the control of Global Equities insiders.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent’s Offer.

Accordingly, it is hereby ORDERED

Pursuant to Section 15(b)(6) of the Exchange Act that Respondent McCallion be, and hereby is barred from association with any broker or dealer;

Any reapplication for association by McCallion will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served

as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

For the Commission, by its Secretary, pursuant to delegated authority.

Nancy M. Morris
Secretary